

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, APRIL 1, 2008**, upon the application of **KCS RESOURCES, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Travis Peak Sands of the Hosston Formation, the Cotton Valley Formation, Reservoir A and the Gray Sand, Reservoir A**, in the Sugar Creek Field, Claiborne Parish, Louisiana.

1. To authorize KCS Resources, Inc. to drill, complete and utilize an alternate unit well for TP SUB at the exceptional location shown on the plat submitted with the application, in lieu of the location in the Northwest Quarter of Section 6, Township 19 North, Range 5 West approved by Office of Conservation Order No. 23-H-19, effective May 16, 2006.
2. To authorize KCS Resources, Inc. to drill, complete and utilize an alternate unit well for CV RA SUI at the exceptional location shown on the plat submitted with the application, in lieu of the location in the Northwest Quarter of Section 6, Township 19 North, Range 5 West approved by Order No. 23-P-23, effective May 16, 2006.
3. To authorize KCS Resources, Inc. to drill, complete and utilize a unit well for GRAY RA SUS, at the exceptional location shown on the plat submitted with the application.
4. To determine that there is a need for an alternate unit for the Travis Peak Formation of the Hosston Formation and the Cotton Valley Formation, Reservoir A, and a unit well for the Gray Sand, Reservoir A, as proposed, to efficiently and effectively recover hydrocarbons underlying the units for these reservoirs which cannot otherwise be recovered from any existing well located on said units.
5. To permit the operators of wells located on TP SUB and CV RA SUI to produce the allowables assigned to these units from either the unit well, any alternate unit well, or from any combination of such wells, at the discretion of the operators.
6. To designate KCS Resources, Inc. as operator of the proposed alternate unit wells for TP SUB and CV RA SUI and to authorize KCS Resources, Inc. to report production from such wells separately from the wells which are operated by Sugar Creek Producing Company located on TP SUB and by Williamson Oil & Gas, Inc. on CV RA SUI.
7. To consider such other matters as may be pertinent.

The Travis Peak Sands of the Hosston Formation was defined in Order No. 23-H-3, effective September 22, 1977.

The Cotton Valley Formation, Reservoir A was defined in Order No. 23-P, effective November 21, 1978.

The Gray Sand, Reservoir A was defined in Order No. 23-R, effective January 23, 1981.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.
www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

3/14/08;3/19/08

S

lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.